

**2014-2016 Housing Levy A&F Plan**  
**Rental Housing Program**  
**Program Objectives and Priorities**

**Proposal:** *Update Objectives to add emphasis on serving households who experience barriers to accessing stable affordable housing.*

*Update Priorities for project location: Retain focus on transit access. Add focus on locations that provide access to jobs, services, and other opportunities, as appropriate for the intended residents. Also focus on project locations that support revitalization of low-income communities and/or where low-income residents may face displacement due to rising housing costs.*

*Update Priorities regarding tenant population: Retain focus on ending homelessness, assisting seniors and people with disabilities, and providing affordable housing for low-wage workers and their families. Update homeless priorities to reflect current Ten Year Plan initiatives.*

## **RENTAL HOUSING PROGRAM OBJECTIVES**

The following objectives will guide the Rental Housing Program:

- Provide a mix of affordable rental housing, consistent with Levy affordability policies, promoting housing opportunity and choice throughout the City.
- Working collaboratively with other funders of affordable rental housing, ensure that the greatest number of quality affordable housing units are preserved or produced each funding round.
- Contribute to countywide efforts to end homelessness by providing housing that serves individuals and families who are homeless or at risk of homelessness, including those with long or repeated periods of homelessness, criminal background, or other significant barriers to housing.
- Provide a stable and healthy living environment where low-income individuals and families can thrive, with access to education, employment, affordable transportation, and other opportunities and amenities.
- Promote cost-effective sustainable design, construction, rehabilitation, and operations of affordable housing.

- Promote preservation of affordable housing, and prevent displacement of low-income residents, through purchase and rehabilitation of existing housing.
- Contribute to the revitalization of low-income communities through development and preservation of affordable housing, including mixed-income housing and housing opportunities for existing low-income residents at risk of being displaced by redevelopment and rising housing costs.
- Contribute to the development of sustainable, walkable neighborhoods, particularly near high-capacity transit, giving low-income residents access to transportation, services and economic opportunity.

## RENTAL HOUSING PROGRAM PRIORITIES FOR 2014-2016

Housing Levy funds are intended to serve vulnerable people in our community, including seniors and people with disabilities, families and individuals who are either experiencing homelessness or who are at risk of homelessness, and people who earn low-wages and have difficulty finding housing they can afford. ~~According to 2006-2008 American Community Survey reports, 22% of all renter households in Seattle are severely cost burdened, paying more than half of their income for housing. The vast majority of these households have extremely low incomes, at or below 30% of median income.~~

~~The current economic downturn makes it especially challenging to provide housing for these vulnerable groups. To meet Levy production goals, projects must leverage other public and private fund sources: capital funding for housing development and, for homeless and special needs housing, ongoing funding for building operations and supportive services. In the next two years capital funding leveraging is expected to be quite constrained. The State Housing Trust Fund is expected to have limited funding available, and federal HOME, CDBG and other capital funds have been cut. Operating and service funding is uncertain due to reduced revenues from document recording fees and sales tax, and the expiring King County Veterans and Human Services Levy. At the same time, construction costs are still lower than prior to the economic downturn. Federal funding for the Choice Neighborhoods and the new federal emphasis on Sustainable Communities will reward local communities that connect housing investments with schools, transportation, and other investments to address broad community needs.~~

Over the next three years, the Rental Housing Program will emphasize efficient and sustainable housing development to meet the range of Program Objectives. OH will continue to prioritize leverage of other public and private investment in both capital funding for housing development, and operating and supportive services funding for residents with special needs.

## Project Location Priorities

OH encourages production and preservation of affordable housing throughout the city to maximize individual choice for low-income residents of Seattle. OH will prioritize funding for housing in locations that afford low-income residents the greatest access to opportunities such as jobs, quality education, parks and open space, and services. OH will also prioritize funding for housing that supports focused community development investments that improve the quality of life in low-income communities, or where revitalization trends are leading to the displacement of low-income residents.

OH will develop measurable criteria to evaluate project locations which will be published in Notice of Fund Availability (NOFA) documents. Access to transit will be a primary location criteria, as transportation costs are second only to housing costs for a majority of low-income households and many low-income households do not own a car. The location criteria will take into consideration the impact of local market conditions on project feasibility and the population intended to reside in the housing development.

~~Geographic dispersion of very low income housing through the city is encouraged. Mixed-income housing (projects serving households with incomes from 50% to 80% of median income) is encouraged in underdeveloped areas in the city where higher percentages of low-income residents or housing exist. In addition, OH will emphasize housing that addresses the following over-arching goals:~~

- ~~• Contributes to City efforts to create sustainable transit-oriented communities: create or preserve affordable housing opportunities in areas with high capacity transit stations or high frequency transit service where the City is making transportation, infrastructure and other investments and, if available, other housing subsidies for transit-oriented communities can be secured (see Program Definitions, page 45). Maps showing these areas will be available at the Office of Housing and will be published in NOFA documents.~~
- ~~• Contributes to City and countywide efforts to end homelessness: preservation or new construction of housing serving individuals and families who are homeless or at risk of homelessness.~~

~~The following are funding priorities for specific populations to be served in rental housing:~~

**Housing for homeless families, individuals and youth, including chronically homeless individuals with disabling conditions.**

Housing for the homeless continues to be a critical need in Seattle. Over 1,700 \_\_\_\_ people are homeless on the streets in Seattle on any one night and many more in shelters and transitional housing; and Seattle Schools report 1153 \_\_\_\_ homeless students over the 2011-2012 school year. A range of housing, combined with supportive services, is needed to assist families, individuals and youth regain housing stability and work toward self-sufficiency. ~~The Office of Housing works closely with other funders to maximize services and operating funding dedicated to housing for the homeless. Funding coordination is especially important for permanent supportive housing. A “Housing First” model has demonstrated success in Seattle and nationally. These programs provide housing and intensive services for people with disabilities who have long or repeated histories of homelessness, and for people who are high utilizers of public health and justice systems. Housing First also saves significant public costs such as for emergency services. Projects using this model will be prioritized so that those most in need are served and system-wide cost savings can be achieved. In addition, projects that use cost effective measures to create housing for homeless families, individuals and youth, including but not limited to single room occupancy units, and acquisition and moderate rehabilitation of existing housing, are encouraged.~~

Proposed projects serving homeless populations will be prioritized if they demonstrate a high likelihood of securing funds to provide appropriate levels of supportive services to help residents gain housing stability. Projects that will serve homeless individuals, families, and youth/young adults must be aligned with local planning and funding initiatives ~~for ending family homelessness~~. Housing that will serve homeless families will be prioritized when homeless housing units are included in a project that also provides affordable housing for households who have not been homeless. Projects that will serve chronically homeless populations must demonstrate a high likelihood of securing funds to provide intensive services, including behavioral health, health care, and chemical dependency services; ~~project sponsors will be required to participate in the emerging client care coordination system.~~ These projects will be prioritized if they provide housing opportunity for long-term stayers in emergency shelter, as a means to increase shelter capacity and reduce the number of unsheltered people on the streets. Homeless housing will also be prioritized if the project establishes screening criteria and develops referral relationships to provide housing opportunities for people with criminal histories and other significant barriers to housing.

### **Housing for seniors and people with disabilities.**

Many seniors and people with disabilities live on limited fixed incomes, and struggle to afford housing while paying for food, health care and other expenses. Seattle renters over age 62 are more likely to be severely cost burdened; over 27% of these households pay more than half their income for housing. People receiving social security disability typically have incomes as low as 17% of median income, so they cannot maintain stable housing without an affordable place to live.

Proposed projects serving these seniors and people with disabilities will be prioritized if they demonstrate high likelihood of obtaining appropriate levels of operating and services funding for the intended residents and/or preserve existing housing subsidies and prevent displacement of low-income residents.

### **Housing for low-wage working families and individuals.**

Extremely low-income families and individuals—with incomes at or below 30% of median income—are the most likely to be severely cost burdened renters in Seattle. These households have incomes below \$18,200 for an individual or \$23,400 for a family of three. They may be working a minimum wage job, or working part-time or intermittently. They are at high risk for homelessness if a child's illness forces a parent to miss work or an unexpected expense results in a missed rent payment.

In addition, the people who provide everyday services to residents and visitors in Seattle often struggle to pay market rents. People working in food service, hotel housekeeping, retail sales typically earn \$11 to \$14 per hour. Office administrative staff, teacher's aides, and medical assistants may earn \$17 per hour. Even in today's housing market, an An income of \$20 per hour is needed to afford the average one-bedroom apartment.

Proposed projects serving these populations will be prioritized if they are located near transportation and local services and amenities, giving low-wage workers the option to forgo a vehicle. ~~car. In particular, locations near high capacity transit stations or high frequency transit service, and p~~ Projects that preserve affordable housing in locations where rents are rising, will be prioritized. A mix of unit sizes and amenities to accommodate families is preferred in new construction projects.